



Department
for Education

Mathematics early-career payments: administration of payments

Government consultation

Launch date 16 July 2018

Respond by 30 July 2018

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Introduction

This consultation asks those who will be involved in offering and delivering the mathematics early-career payments for their views on how they will be administered.

Who this is for

- Schools, school leaders and organisations representing school leaders
- Teachers and organisations representing teachers
- Initial Teacher Training providers and their representative bodies

Issue date

The consultation was issued on 16 July 2018.

Enquiries

If your enquiry is related to the policy content of the consultation you can contact the team on:

Financial.Incentives@education.gov.uk

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the DfE Ministerial and Public Communications Division by email: Consultations.Coordinator@education.gov.uk or by telephone: 0370 000 2288 or via the [DfE Contact us page](#).

Additional copies

Additional copies are available electronically and can be downloaded from [GOV.UK DfE consultations](#).

The response

The results of the consultation and the Department's response will be [published on GOV.UK](#) in August 2018.

About this consultation

Mathematics early-career payments are being offered to teachers completing their initial teacher training (ITT) in the 2018 to 2019 academic year. In addition to a £20,000 bursary or £22,000 scholarship during ITT, eligible teachers will receive early-career payments of £5,000 each (or £7,500 each in selected local authorities) in their third and fifth year of teaching.

The purpose of this consultation is to seek views on how the early-career payments should be administered. Although the proposed approach seeks to minimise the administrative burden on schools and teachers, it will still involve a role for both in claiming the payments. Schools will be required to confirm that the teacher meets the eligibility criteria and apply on their behalf to DfE, before passing the payment to the teacher. Eligible teachers will need to ensure that their school applies on their behalf.

This consultation document addresses the following topics that relate to how the mathematics early-career payments will be administered:

- Eligibility criteria
- Payment process
- Income tax, National Insurance and pension contributions

Our proposals for each of these three topics are set out in the remainder of this document.

We would like to hear your views on our proposals.

Respond online

To help us analyse the responses please use the online system wherever possible. Visit www.education.gov.uk/consultations to submit your response.

Other ways to respond

If for exceptional reasons, you are unable to use the online system, for example because you use specialist accessibility software that is not compatible with the system, you may download a word document version of the form and email it to Financial.Incentives@education.gov.uk.

Deadline

The consultation closes on 30 July 2018.

Eligibility criteria

Background

Early-career payments are being offered to mathematics teachers completing their initial teacher training (ITT) in the 2018 to 2019 academic year as part of a “phased bursary” pilot. This cohort of teachers will receive a slightly lower bursary during training (compared to the £26,000 bursary available for other high priority subjects) but will then be eligible for the early-career payments of £5,000 each (or £7,500 each in selected local authorities) when teaching.

Proposal and rationale

The eligibility criteria can be found here: <https://www.gov.uk/guidance/mathematics-early-career-payments-guidance-for-teachers-and-schools#eligibility-criteria>

The following summarises the rationale for each section of the eligibility criteria:

- The training criteria reflects the fact that the early-career payments are being offered as part of a “phased bursary” to the cohort starting ITT in the 2018 to 2019 academic year only.
- The employment criteria is designed to incentivise continuous employment in teaching after completing ITT, except for the exemptions listed.
- The subject criteria is intended to incentivise eligible teachers to continue to teach maths for at least 50% of their contracted hours.
- The performance criteria ensures that schools do not need to make the payments to any teachers who they have decided are not meeting the teachers’ standards (although these teachers can become eligible if they subsequently meet the teachers’ standards during the payment year).
- Finally, the uplifted payment criteria lists the local authorities where teachers will be eligible for £7,500 rather than £5,000 early-career payments.

Payment process

Background

The proposed payment process for the early-career payments is intended to minimise the administrative burden on both schools and teachers. However, it still involves a role for both in claiming the payments.

Proposal and rationale

The proposed payment process involves the following steps:

1. DfE will issue communications to eligible teachers and their employing schools to remind them that they are able to apply for the early-career payments (in both academic years 2021 to 2022 and 2023 to 2024).
2. The school will check whether the teacher meets the eligibility criteria in full.
3. The school will apply for the payment on the teacher's behalf.
4. DfE will make the payment to the school after verifying the application.
5. The school will pass on the payment to the teacher separately from the teacher's pay.

The payment process involves the school because they are best placed to confirm that the teacher meets the eligibility criteria. Schools are also able to pass the payments on given they already employ the teachers. Schools will not need to make any financial contributions to the payments themselves (see Income tax, National Insurance and pension contributions).

Income tax, National Insurance and teachers' pension contributions

Background

Bursaries paid during ITT are tax-free because they support individuals to undertake training. In contrast, payments which are conditional on an individual taking up employment are taxable because they are an inducement to accept employment. This means that the early-career payments are subject to income tax and National Insurance contributions. Teachers' pay and other payments to teachers can also incur teachers' pension contributions.

Proposal and rationale

Our starting point is that the school should not need to make any financial contributions to the payments and that the teacher should receive the full £5,000 (or £7,500) amount, without any deductions. Requiring the school and/or teacher to financially contribute would potentially affect uptake of the early-career payments. For this reason we propose the following:

- Income tax and National Insurance (NI) contributions – DfE will bear the cost of the income tax and both the employee and employer NI contributions associated with the early-career payments, by paying this cost to HMRC. This is a cost-neutral arrangement for government and means that neither the school nor the teacher need to contribute.
- Teachers' pension contributions – To minimise the possibility that DfE will need to bear additional costs we propose to lay a Statutory Instrument (SI) in Parliament to specify that the early-career payments are not to be treated as remuneration. If the payments are not regarded as remuneration it is unlikely that they will be deemed pensionable. This approach has been adopted for previous financial incentives paid to serving teachers.

Questions to consider

Question	Proposed answers
1.1 Are you a school leader, teacher, or initial teacher training provider, or do you hold another position within the education sector?	<ul style="list-style-type: none">• School leader• Teacher• Initial teacher training provider• Other
1.2 If other, please provide further details.	FREE TEXT
2. Do you have any comments on the proposed eligibility criteria?	FREE TEXT
3. Do you have any comments on the proposed payment process?	FREE TEXT
4.1 Do you have any comments on the proposed approach to income tax and National Insurance contributions?	FREE TEXT
4.2 Do you have any comments on the proposed approach to teachers' pension contributions?	FREE TEXT



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